



**Farmfit
Fund**

CODE OF CONDUCT

ADOPTED BY A RESOLUTION OF THE
MANAGEMENT BOARD ON 15 NOVEMBER 2019

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1.

INTRODUCTION TO THE IDH FARMFIT FUND CODE OF CONDUCT

This Code of Conduct provides the ethical framework in which IDH Investment Management B.V. (“IDH IM”), acting in its capacity as the appointed and authorized investment manager of the IDH Farmfit Fund (the “Fund”), operates. It provides an overview of the values, commitments, responsibilities and integrity that we stand for. When operating within the framework of this Code of Conduct, we create a responsible and transparent environment not only in conducting our business internally but also in conducting our business with external parties (or partners, organizations, shareholder).

Our Code of Conduct applies to all our people, it governs every decision that we make. By “our people” we mean employees including members of the IDH IM management board, (hereinafter the “Management Board”), members of the Supervisory Board and Investment Committee of IDH IM, the Joint Advisory Committee of the Fund, as well as consultants acting on behalf of IDH IM. Please note that that a very similar Code of Conduct applies to employees and management of Stichting IDH, our shareholder.

Furthermore, we expect our business partners to apply similar standards of conduct when working for and/or with IDH IM.

This Code of Conduct can be amended from time to time, in which amendments are subject to the approval of the Management Board. The staff of IDH IM and the members of the committees of the Fund and IDH IM will be informed when a new version is available.



2.

COMPLIANCE WITH THE CODE OF CONDUCT

Our work must take into consideration and comply with our Code of Conduct as well as with the policies of the Fund and IDH IM, and with the applicable laws of the countries where we operate.

If ever in doubt about a course of conduct, we have to ask ourselves:

- Is the behavior consistent with the Code of Conduct? Is the decision ethical?
- Does the decision comply with the policies of the Fund, IDH IM, as well as the law?
- Will the decision reflect well on me and IDH and/or the Fund and/or IDH IM?
- If it appeared on the newspaper, would it be a positive publication?

If the answer is “No” to any of these questions, don’t do it. If you are still uncertain, ask for guidance from the Management Board.

All IDH IM employees are required to comply with the Code of Conduct by signing for acknowledgment and acceptance of this Code of Conduct.

Non-compliance by our people with the Code of Conduct, or with relevant supporting policies or procedures, will result in proportionate corrective action from the Management Board towards the employee, and from the Supervisory Board if there is a member of the Management Board involved.

3.

OUR PURPOSE AND VALUES

PURPOSE

The overall purpose of the Fund is to accelerate and up-scale sustainable trade by delivering long term impact for smallholder farmers in developing markets through the blending of public sector funding with private sector funding. The corporate purposes (doelen) of IDH IM and the Fund are described in their respective Articles of Association.

VALUES

IDH IM has the following key values which we share with our shareholder, Stichting IDH which we propagate:

Impact

- Aim stretching private sector leadership engagement in sustainability far beyond CSR
- Continuous focus on our additionality, prioritizing the impact on people and planet
- Work towards the institutionalization of sustainable practices

Innovation

- Deliver business driven, precompetitive solutions that involve both the public and private sector
- Continuously learn and reflect critically on our work, both internally and externally

Integrity

- Deliver on plans and avoid deliberately overpromising (but think big!)
- Listen and be open to arguments of others, internally and externally
- Be transparent about successes and failures; be accountable for your actions
- Speak up when you disagree and not spread rumors

4.

OUR COMMITMENTS

TO OUR PEOPLE

The relationship between IDH IM and its employees is based upon establishing and maintaining mutual respect for and benefit from the mission of IDH and IDH IM. At IDH IM we look to create a working environment in which our people feel appreciated and respected for their contributions. Everybody needs to have the opportunity to reach his or her full potential.

TO OUR INVESTORS

The Fund creates a unique coalition between both private and public investors made up from international consumer good companies, commercial banks, DFI's, governmental agencies and charitable institutions. We acknowledge their underlying differences and commit ourselves to combine their ambitions and goals into a unified impact investment strategy.

TO THE FUND'S INVESTMENT STRATEGY

IDH IM in executing the investment strategy of the Fund, builds and catalyzes coalitions between public and private sector players that set ambitious, metric based sustainability goals and formulate concrete, actionable implementation plans. Jointly we have formulated an investment strategy for the Fund with defined impact goals, focused target beneficiaries, sectors and geographies, financing instruments and funding structures. We will seek to create and deliver benefits to all stakeholders involved.

TO OUR PARTNERSHIPS

IDH and IDH IM act as conveners of the private and public sector, financial institutions, civil society organizations and governments. IDH IM, as manager of the Fund, leverages private stakes, merges public and private interests and maximizes synergies. The Fund offers unique opportunities for partnership in accelerating sustainable trade, hereby addressing the development challenges through our convening powers, financial resources,

close relationship with different stakeholders, as to our specialized knowledge as a program developer.

IDH IM in the exercise of its responsibilities and duties strives to further enhance the existing relationships as well as to develop new strategic alliances.

In line with our shareholder IDH's broader value proposition, we must ensure that partnerships are developed and managed appropriately. Therefore, IDH IM, acting on behalf of the Fund, periodically reports to its and the Fund's stakeholders in a transparent manner. Reporting, on financial performance, financial status and impact, takes place according to the Communications and disclosure policy.

5.

OUR RESPONSIBILITIES

MANAGEMENT RESPONSIBILITIES

IDH IM's senior management needs to model and exemplify the behavior noted in this Code of Conduct and manage our people in this respect.

INDIVIDUAL RESPONSIBILITIES

Our people have the following general individual responsibilities:

- **Client focus: Maximize personal contribution to ensure customer satisfaction**
Understand who your clients are. Know the client and respond energetically to their feedback. Ensure activities and decisions will optimize client relations and consider cost effectiveness at all times.
- **Personal integrity: Match words with actions to build mutual respect**
Treat colleagues in a fair and consistent way, maintaining confidentiality to build trust and respect. Demonstrate company values in behaviour and have a personal vision on these values.
You can expect to be treated with trust and respect by all IDH IM team members.

- **Drive: Strive to achieve and keep going when things are difficult**

Demonstrate commitment to IDH Farmfit and its strategy and commit to achieving results. Show tenacity in overcoming obstacles, remain resilient and optimistic, meet deadlines, make things happen and be prepared to take calculated risks.

It is the commitment of senior management of IDH IM to make you perform well. Enable them to do their job well: be transparent about your difficulties and ask for help!

- **Team working: Build and maintain relationships within and across teams**

Commit to team decisions, work in cooperation with others to achieve individual and team objectives. Share knowledge freely, maintain positive relationships within and across teams.

You can expect to have access to the right information you need to function well. And get the help you need to meet your goals

- **Develop yourself and others: Create or contribute to an environment in which you and other people are motivated to learn and develop**

Give support to others, encourage them to take risks and make mistakes as part of learning, take time to guide and give feedback.

Find opportunities to learn and develop, celebrate success and take care of yourself so our people can be at their best.

- **Act responsibly while travelling**

Upholding safety and security is the responsibility of IDH IM people and all persons associated with IDH IM. IDH IM and its people should be aware of the risks associated with business travels and take appropriate and adequate measures to reduce these risks. Our people will adhere to any safety guidelines and should never put themselves or others at risk in order to protect organizational or personal property.

6.

EXTERNAL COMMUNICATIONS

EXTERNAL COMMUNICATION IN GENERAL

If any of our people is contacted and asked to discuss IDH IM's or the Fund's business activities with members of the press, they should not provide any information. Instead, they should politely inform them that they are not authorized to discuss the subject and refer them to the Management Board.

SOCIAL MEDIA

Our people are not permitted to use social media for stating opinions about topics directly mentioning IDH IM or the Fund entities or investor names, work or programs. Should any of our people express any opinions on social media on topics related to the activities conducted by IDH IM or the Fund, they should exercise caution and take precautionary steps. Such precautions include:

- State that the materials and opinions they are posting are theirs and not IDH IM's;
- Take every possible precaution to ensure that they are not disclosing any confidential information about IDH IM, the Fund or their partners;
- Refrain from using any third-party logos or trademarks without relevant permission.

7.

INTEGRITY

CONFLICT OF INTEREST

Our people are free to occupy paid and unpaid additional positions provided that their work for IDH IM is not compromised. In case of (possible) conflicts between the IDH IM's position and the additional position, the future occupation of an additional position will be presented to IDH IM's management board who will decide on the appropriate resolution of the conflict. We have created an elaborate "Conflict of Interest Policy" dealing with identification and escalation of (perceived) conflicts of interest.

INTIMIDATION

One of our key values is respect, so naturally intimidation or harassment of any kind is unacceptable in our organization. In case one of our people feels physically or verbally intimidated by a co-worker or superior, this is preferably in the first instance be discussed with the management. If the intimidation is perceived by the employee as very sensitive or if it concerns (a member of) the management, another co-worker (see chapter "Where to get help" under "buddy", "whistleblower" or "confidant") or possibly even the physician of the health and safety service can be turned to. Our 'Complaints Policy' deals with identifying, reporting and handling these matters.

PRIVATE USE OF EQUIPMENT

In case equipment, such as a computer or a mobile phone, are made available to our people, the private use of this equipment must be limited. All equipment made available to our people must be used carefully.

GIFTS AND PRESENTS

IDH IM staff may keep gifts and presents they receive from third parties as a token of appreciation for performing their work provided that the value of the benefit is not excessive. As a guideline, we consider this to be the case if such gifts and presents do not exceed the value of [€25] (non-repetitive). Our "Anti-corruption, Gifts and Bribery Policy" sets out our standards and expectations towards our people in this regard.

All other gifts and presents must be notified to the Management Board, who will decide upon an appropriate resolution taking account for the circumstances.

ANTI-CORRUPTION

Bribery, fraud and corruption are all threats to sustainable development, and as such are threats to the core values which IDH IM seeks to promote. With this in mind, IDH Farmfit is committed to managing the risk of fraud and corruption both in its internal operations, as well as in all activities which are either managed by, or associated with it.

In pursuit of these objectives, IDH IM will not tolerate any forms of fraud or corruption. IDH IM, also when not acting in its capacity as investment manager of the Fund, will not engage in any forms of partnership or agreement where there is evidence or suspicion of corruption.

IDH IM people are required to act in compliance with the zero-tolerance principle at all times by conforming with all procedures and policies which attempt to combat fraudulent or corrupt activities. All IDH IM people are strictly prohibited from offering, paying, soliciting or accepting bribes or kickbacks. Depending on the seriousness of a breach, an employee's failure to comply with this policy whether intentionally or by an act of negligence, may lead to disciplinary action.

Where fraud, corruption or bribery is alleged, detected or suspected, it should be brought to the attention of the Management Board. As soon as it is practically possible, the Management Board will investigate the matter, seek the recovery of the misappropriated funds (if applicable), and promptly determine the appropriate course of action.

PERSONAL ACCOUNT DEALINGS

No employee nor individual or individuals described under the definition of 'our people' as set out in section 1 hereof, are permitted, without the explicit prior written consent of the Management Board, to conduct a Securities Transaction. All our people are expected to avoid mixing of business and personal interests or the appearance thereof. Our people are also expected to handle any information received in the context of the business activities of IDH IM with due care.

A 'Securities Transaction' for these purposes mean: performing, commissioning or realizing any action, directly or indirectly, on one's own behalf or on behalf of a third party to buy or sell a Financial Instrument other than in the ordinary exercise of business activities of IDH IM.

A 'Financial Instrument' for these purposes means: a tradable share (or similar negotiable instrument), bond, debt instrument or similar financial instruments (including currency and equity swaps, derivatives and or similar money market instruments) in the investee companies (or their subsidiaries) to which loans, guarantees or similar instruments are provided by the entities managed by IDH IM (including the Fund).

For the purposes of this section, investments in tradable shares, bonds, or in any other financial instruments of companies in which IDH IM (including the Fund) is considering to invest, or of which IDH IM possesses confidential information, are considered Financial Instruments.

POLITICAL NEUTRALITY

Any person representing IDH IM, including consultants contracted by IDH IM, must be politically neutral and unbiased at all times when performing work for IDH. IDH IM and the Fund are also funded by public donors and thus IDH IM's representatives must respect the nature of IDH's work and funding, irrespective of their own (political) views. This means that IDH IM representatives must provide service to everyone without unfair discrimination and regardless of political affiliation or preference. In no circumstance is it permitted to use IDH's resources or position for political purposes or goals.

8.

WHERE TO GET HELP

BUDDY SYSTEM

IDH IM has a buddy system, in which newly hired people are paired with a more experienced colleague who helps new people get their bearings both practically and socially. This buddy system can help new people adjust to their new position within IDH IM and reduce the amount of time for them to learn new skills. Next to professional advice, buddies can ask each other personal advice how to deal with work related issues or with other colleagues.

CONFIDANT ADVISOR

When one of our people feels uncomfortable in their professional relationship with (a) colleague(s), they may discuss the issue with the Confidant Advisor. The Confidant Advisor will listen and help to find a solution to the issue where possible. The Confidant Advisor will treat all information provided to him or her as confidential and will not share this unless specifically requested to do so by the person in question. The Confidant Advisor is a

generally trusted person whose role as Confidant Advisor is made known to all our people. The Confidant Advisor can be a staff member of either IDH or IDH IM and reports directly to the Management Board or Supervisory Board of IDH IM, depending if a member of the Management Board is involved in the matter concerned.

WHISTLEBLOWER POLICY

IDH IM has a Whistleblower Policy that enables IDH IM people to raise concerns about inappropriate conduct that is occurring or suspected within IDH, or another organization with which IDH IM is partnered, in a safe and confidential environment.

IDH IM adheres to an open-door policy and suggest that all IDH IM people approach the Confidant Advisor if there is either evidence or suspicion of wrongdoing. As such, if an IDH IM person becomes aware of any behavior or conduct they believe to be illegal or a violation of the principles set out in this Code of Conduct, they can raise their concern with a confidential advisor.